

Message Text

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ACTION AF-10

INFO OCT-01 ARA-06 EUR-12 EA-07 NEA-10 ISO-00 IO-13
FEA-01 ERDA-05 AID-05 CEA-01 CIAE-00 COME-00
EPG-02 DODE-00 EB-07 FPC-01 H-01 INR-07 INT-05
L-03 NSAE-00 NSC-05 OMB-01 PM-04 USIA-06 OES-07
SP-02 SS-15 STR-04 TRSE-00 ACDA-07 PA-01 PRS-01
/150 W

-----242127Z 022435 /75

R 241306Z MAY 77
FM AMEMBASSY LAGOS
TO SECSTATE WASHDC 1316
INFO AMEMBASSY ABIDJAN
AMEMBASSY ABU DHABI
AMEMBASSY ACCRA
AMEMBASSY ALGIERS
AMEMBASSY BRASILIA
AMEMBASSY CARACAS
AMEMBASSY COTONOU
AMEMBASSY CONAKRY
AMEMBASSY DAKAR
AMEMBASSY DOHA
AMEMBASSY FREETOWN
AMEMBASSY JAKARTA
AMEMBASSY JIDDA
AMEMBASSY KINSHASA
AMEMBASSY KUWAIT
AMEMBASSY LIBREVILLE
AMEMBASSY LONDON
AMEMBASSY LOME
AMEMBASSY MONROVIA
AMEMBASSY NDJAMENA
AMEMBASSY NIAMEY
AMEMBASSY PARIS
AMEMBASSY QUITO
AMEMBASSY ROME
AMEMBASSY THE HAGUE
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AMEMBASSY TEHRAN
AMEMBASSY TRIPOLI
AMEMBASSY VIENNA
AMEMBASSY YAOUNDE
USINT BAGHDAD
AMCONSUL CURACAO
AMCONSUL DHAHREN

LIMITED OFFICIAL USE LAGOS 5882

USOECD PARIS

E.O. 11652: N/A

TAGS: ENRG, NI

SUBJECT: NIGERIAN CRUDE OIL PRODUCTION

REF: (A) LAGOS 4759, (B) LAGOS 4901

1. NIGERIAN CURDE OIL PRODUCTION IN APRIL 1977 AVERAGED 2,257,559 BARRELS PER DAY (B/D), SLIGHTLY ABOVE MARCH FIGURE. LARGEST INCREASE REGISTERED BY MOBIL OIL, WHICH WAS GIVEN PERMISSION BY NIGERIAN NATIONAL PETROLEUM CORPORATION (NNPC) TO REMOVE ALL PRODUCTION RESTRICTIONS. REASON FOR THIS WAS THAT NNPC HAD OVERSOLD LIGHT CRUDE AND NEEDED MORE TO MEET COMMITMENTS. FOLLOWING TABLE SHOWS PROVISIONAL PRODUCTION FIGURES FOR APRIL AND FINAL FIGURES FOR MARCH.

COMPANY APRIL MARCH PERCENT CHANGE

SHELL-BP 1,309,464 1,315,173 -0.4

GULF 309,812 316,205 -2.0

MOBIL 257,758 237,764 PLUS 8.4

AGIP/PHILLIPS 228,101 227,872 -0.1

ELF 87,013 85,657 PLUS1.6

TEXACO/CHEVRON 47,983 52,767 -9.1

PAN OCEAN 8,009 10,993 -27.1

ASHLAND 9,419 8,636 PLUS9.1

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ALL COMPANIES 2,257,559 2,255,067 PLUS 0.1

2. FOLLOWING SECOND QUARTER PRICE INCREASE ANNOUNCED BY NIGERIA (SEE REFTEL B), WHICH NOT FOLLOWED BY OTHER PRODUCERS OF AFRICAN LIGHT CRUDE AND WHICH MADE NIGERIAN CRUDE HARD TO SELL, EXPORTS COLLAPSED BY 17.1 PERCENT, TO 1,962,761 B/D, OVER 400,000 B/D BELOW RECORD MARCH OFFTAKE. STORAGE TANKS ARE NOW COMPLETELY FULL, AND ANY DELAYS IN LIFTING BY CUSTOMERS RESULT IN TEMPORARY PRODUCTION CUTBACKS BY PRODUCING COMPANIES. MOBIL OIL, FOR EXAMPLE, REPORTS MAY PRODUCTION HAS FALLEN BELOW MARCH LEVELS BECAUSE LATE ARRIVAL OF TWO NNPC NOMINATED VESSELS AT QUA IBOE TERMINAL NECESSITATED PRODUCTION SHUTDOWNS.

3. DRILLING RIGS EMPLOYED AT MONTH'S END TOTALLED 17.

4. BEGIN LIMITED OFFICIAL USE: ON MAY 20, MOBIL OIL COMPLETED FIRST WILDCAT DRILLED BY COMPANY SINCE 1974 AND HAS STRUCK WHAT MAY TURN OUT TO BE ITS BIGGEST FIELD. (MOBIL'S BIGGEST FIELD TO DATE CONTAINS ABOUT 300 MILLION BARRELS AND BIGGEST FIELD IN

NIGERIA HAS ABOUT 840 MILLION.) STRIKE IS LOCATED IN OML 70
WEST OF EXISTING EKPE FIELD. COMPANY OFFICIALS TOLD EMBOFFS
THAT, WHILE IT TOO EARLY TO BE PRECISE, THEY ESTIMATE ON BASIS
THIS FIRST SHOWING THAT FIELD WILL INCREASE COMPANY'S RESERVES
BY 10 PERCENT. IF RESULTS FROM OTHER PRODUCING ZONES IN FIRST
WELL AND RESULTS FROM TWO ADDITIONAL WELLS YET TO BE DRILLED
ARE EQUALLY PROMISING, THIS FIELD WILL INCREASE MOBIL'S RESERVES
BY 30 PERCENT. MOBIL OFFICIALS SAY IT WILL TAKE A YEAR TO
DEVELOP FIELD AND BRING IT INTO PRODUCTION. END LIMITED OFFICIAL
USE
EASUM

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NNN

Message Attributes

Automatic Decaptoning: X
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Concepts: PETROLEUM, PRODUCTION DATA
Control Number: n/a
Copy: SINGLE
Sent Date: 24-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
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Disposition Approved on Date:
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